CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET SACRAMENTO. CA 95814-5512



July 1, 2003

The Honorable Meg Gottstein
The Honorable Charlotte TerKeurst
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Dear Judges Gottstein and TerKeurst:

RE: I.00-11-001, Transmission and Renewable Resources

The California Energy Commission's (Energy Commission's) Renewables Committee is pleased to forward its Preliminary Renewables Resource Assessment. This is consistent with our commitment to provide the California Public Utilities Commission (CPUC) with an assessment, by July 1, 2003, that allows for a reconnaissance level analysis of current and/or potential transmission constraints to meeting the Renewable Portfolio Standard (RPS).

The Preliminary Renewable Resource Assessment provides an analysis of renewable resource potential, by technology type and location, demonstrating that there are ample renewable resources in the State to meet the overall RPS goals. In addition, it presents plausible scenarios for renewable development in 2005, 2008 and in 2017 sufficient to allow PG&E, SCE, SDG&E, and any other "obligated entities" to achieve individual RPS targets. The Preliminary Renewable Resource Assessment also provides estimated renewable megawatt additions, for the transmission plan's target years, by technology type and by renewable resource locations (e.g., Tehachapi, Salton Sea, San Gorgonio, Altamont, and Siskiyou County). This assessment will provide transmission planners with some basis for developing initial bounding cases for renewable resource development.

In developing this resource assessment the Energy Commission has continued to work collaboratively with CAISO and CPUC staff, as well as staff from the investor-owned utilities. A joint workshop of the Energy Commission's Renewables Committee and the Ad Hoc Integrated Energy Policy Report Committee was held on June 24 for the purpose of taking public comment on the staff draft assessment. This workshop was well-attended, with numerous stakeholder interests well represented. The enclosed staff draft assessment was reviewed, edited and revised in response to comments received at the workshop.

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Since the Energy Commission's renewable resource plan is not due until December 2003, the July 1 assessment is, by necessity, "preliminary." New information could become available subsequent to the staff draft that may alter our assumptions. In addition, the Energy Commission staff will continue to work with the CPUC and CAISO staff, so that both the CEC's renewable resource plan and the CPUC's renewable transmission plan remain as coordinated as possible as they are developing.

If you have any questions about the enclosed report, please call Drake Johnson of our technical staff at (916) 653-5898.

The "Preliminary Renewable Resource Assessment", Publication No. 100-03-009CR, can be downloaded from the CEC web site at www.energy.ca.gov/reports/.

We look forward to continued participation in this proceeding.

Date signed: STATE OF CALIFORNIA

ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

JOHN L. GEESMAN JAMES D. BOYD

Presiding Member
Renewables Committee

Associate Member Renewables Committee

Enclosure

cc: Service List for I. 00-11-001